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STEVE S. HONG
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9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
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12 STEVE S. HONG, an individual,
13 Plaintiff,

14 vs.

15 JT HOME MANAGEMENT LLC, a New
York limited liability company; JUDAH J.
16 TAUB, and DOES 1 through 10, inclusive,
17 Defendants.
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Case No.:

COMPLAINT FOR:

- (1) BREACH OF PROMISSORY
NOTE; AND
(2) BREACH OF GUARANTY
AND JURY DEMAND**

1 Plaintiff Steve S. Hong (“Plaintiff”) alleges as follows:

2 **I. GENERAL ALLEGATIONS**

3 1. This is a case for (1) breach of a promissory note against JT Home
4 Management Llc (“JT Home” or “Borrower”) and (2) breach of the related
5 written guaranty executed by defendant Judah J. Taub (“Taub” or
6 “Guarantor”)—both dated June 27, 2017, in favor of Plaintiff. Plaintiff seeks
7 damages in excess of this Court’s minimum jurisdictional amount and in an
8 amount no less than \$1,000,000.00, minus any principal received and plus all
9 accrued and unpaid interest, any late charges and other fees, attorneys’ fees and
10 costs based upon Defendant’s failure and refusal to perform his payment
11 obligations under the guaranty.

12 **II. THE PARTIES**

13 2. Plaintiff is an individual and is a resident of the County of Los
14 Angeles, California.

15 3. JT Home is a New York limited liability company.

16 4. Taub is an individual, who, on information and belief, is a resident
17 of Lawrence, New York.

18 5. The true names and capacities of Does 1 through 10, inclusive,
19 whether individual, corporate, associate or otherwise are unknown to Plaintiff
20 who therefore sues said defendants by such fictitious names. Plaintiff will
21 amend the complaint to show these defendants’ true names, capacities and
22 conduct, once ascertained. Each Doe defendant is liable for the loss suffered
23 by Plaintiff as set forth hereinafter, or their inclusion in this action is otherwise
24 necessary for the granting of effective relief.

25 **III. JURISDICTION AND VENUE**

26 6. This Court has jurisdiction over this action pursuant to 28 U.S.C. §
27 1332 because complete diversity exists between Plaintiff, on the one hand, and JT
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1 Home and Taub, on the other, at the time of the filing of this action and the amount
2 in controversy exceeds \$75,000.00, exclusive of costs and interest.

3 7. Venue is proper in this Court, because JT Home and Taub
4 purposefully directed its activities to create continuing relationships and
5 obligations with the citizens of the County of Los Angeles in the State of
6 California and derives substantial benefits from such conduct, and because the
7 parties agreed to submit to the jurisdiction of this Court. (*See* Exhibit A, § 9.)

8 **FIRST CAUSE OF ACTION**

9 **Breach of Guaranty**

10 **(Against JT Home and Does 1 through 10)**

11 8. Plaintiff incorporates by reference as though set out in full each and
12 every allegation in paragraphs 1 through 7, *supra*.

13 9. Pursuant to the terms of a Promissory Note, dated June 27, 2017, by
14 and between Plaintiff and Borrower (the "Note"), Plaintiff made a loan to
15 Borrower in the original principal amount of \$1,000,000.00 (the "Loan"). A true
16 and correct copy of the Promissory Note is attached hereto as Exhibit "A" and is
17 incorporated herein by this reference.

18 10. The Note fully matured on August 28, 2017 at which time the unpaid
19 principal balance and all accrued and unpaid interest was due and payable.
20 However, Borrower failed to pay the amounts due and owing to Plaintiff under the
21 Note at maturity, and continues to fail and refuse to pay. As such, Borrower has
22 breached the Note.

23 11. Plaintiff has fully performed each of its obligations under the Note,
24 except such obligations which may have been excused by Borrower's actions or
25 omissions.

26 12. Borrower owes, under the Note, not less than the fully matured
27 principal balance of the Loan, plus all accrued and unpaid interest, as well as any
28 late charges and other fees, according to proof.

13. Plaintiff is informed and believes that as direct and legal result of Borrower's breach of the Note, Plaintiff has been damaged in an amount in excess of this Court's jurisdictional limit. Plaintiff will establish at trial the precise amount of its damages, which it believes is no less than \$1,000,000.00, plus all accrued and unpaid interest, any late charges and other fees, and attorneys' fees and costs, all according to proof.

SECOND CAUSE OF ACTION

Breach of Guaranty

(Against Taub and Does 1 through 10)

14. Plaintiff incorporates by reference as though set out in full each and every allegation in paragraphs 1 through 13, *supra*.

15. As additional security for the repayment and performance of Borrower's obligations under the Note, Guarantor executed a written guaranty entitled Guaranty of Note, dated June 27, 2017 (the "Guaranty"). A true and correct copy of the Guaranty is attached hereto as Exhibit "B" and is incorporated herein by this reference. Under the Guaranty, Guarantor "absolutely, unconditionally and fully guarantees . . . the full and punctual payment of all principal and interest accrued thereon payable by the Borrower under the Note and any other amounts due thereunder, as well as under any extension renewal or modification thereof or full and punctual performance of any other obligations of the Borrower under the Note."

16. The Note fully matured on August 28, 2017 at which time the unpaid principal balance and all accrued and unpaid interest was due and payable. However, Borrower failed to pay the amounts due and owing to Plaintiff under the Note at maturity, and continues to fail and refuse to pay. Likewise, to date, Guarantor has failed and refused to pay the amounts due under the Note and, by extension, the Guaranty, and has therefore breached the Guaranty.

17. Plaintiff has fully performed each of its obligations under the

1 Guaranty and the Note, except such obligations which may have been excused by
2 Borrower's or Guarantor's actions or omissions.

3 18. Guarantor owes, under the Guaranty, not less than the fully matured
4 principal balance of the Loan, plus all accrued and unpaid interest, as well as any
5 late charges and other fees, according to proof.

6 19. Pursuant to the express provisions of the Guaranty, Plaintiff is entitled
7 to recover from Guarantor all of Plaintiff's out-of-pocket expenses, including
8 attorney's fees and costs, in connection with the enforcement of and collection
9 under the Guaranty.

10 20. Plaintiff is informed and believes that as direct and legal result of
11 Guarantor's breach of Guaranty, Plaintiff has been damaged in an amount in
12 excess of this Court's jurisdictional limit. Plaintiff will establish at trial the precise
13 amount of its damages, which it believes is no less than \$1,000,000.00, plus all
14 accrued and unpaid interest, any late charges and other fees, and attorneys' fees
15 and costs, all according to proof.

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1 **IV. PRAYER**

2 WHEREFORE, Plaintiff prays as follows:

- 3 a. For damages in the amount no less than \$1,000,000.00 and
4 according to proof at trial;
- 5 b. For late charges and interest in an amount according to proof;
- 6 c. For costs of suit incurred, including Plaintiff's reasonable
7 attorneys' fees; and
- 8 d. For such other and further relief as the Court deems just and
9 proper.

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11 DATED: April ____, 2018

Respectfully submitted,

12 LAMB & KAWAKAMI LLP
13 SHANE W. TSENG
14 MICHAEL L. LAVETTER

15 By: 

16 Shane W. Tseng
17 Attorneys for Plaintiff
18 STEVE S. HONG
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JURY DEMAND

Pursuant to Fed. R. of Civ. P. 38, Plaintiff demands trial by jury in this action of all issues so triable.

DATED: April 18, 2018

Respectfully submitted,
LAMB & KAWAKAMI LLP
SHANE W. TSENG
MICHAEL L. LAVETTER

By: 

Shane W. Tseng
Attorneys for Plaintiff
STEVE S. HONG